Methods of Raising Money*

GERTRUDE PEABODY

To those who serve as managers on Administrative Boards the question of raising money comes as a personal problem. The responsibility for this part of the work rests finally on them. They have, of course, much influence in shaping the policies which govern the spending of money; but in the end they must rely on the trained professional wisdom to make the final decisions. Concerning questions involved in raising money, on the contrary, the opinion of the manager should be as valuable as that of the expert charity worker, and her time and strength should be reserved for her special task. I do not mean that the duty of manager and of director can be completely detached from each other. Each is in fact dependent upon the other. The director cannot make effective plans for professional service without knowing the financial condition, and even her staff should share much of this knowledge; nor can the Board of Managers raise money intelligently without knowing how it is to be spent. The director should furnish the incentive to the managers; and the managers should be willing to undertake the unwelcome task of raising money, because of their intimate knowledge of the work, their complete faith in it, and their sound belief in the director's management. The best results for the organization occur when all concerned in it recognize each other's functions and share each other's responsibilities.

I find, however, a strong and growing belief that this whole problem of raising money should be put into the hands of a specialist. In Boston at least four, and in New York a much greater number, of the larger charity organizations now employ financial secretaries, whose duties are to raise money and to secure publicity. Now, there are of course many circumstances of city

*Paper read at the Second Annual Meeting of the National Organization for Public Health Nursing, April 28, 1914.

life or ineffective boards of managers, where a salaried agent may be a good investment and may even galvanize the manager into activity by his enthusiasm and initiative. As the work of an association increases, the clerical work needed for the raising of money must increase also. The keeping up to date of a card catalogue of subscribers and the comparing of lists of possible subscribers takes much time, and may justifiably be included among office expenses. But if the managers are relieved from the financial burden, is there not some risk that they may lose that vital interest which issues from the sense of personal responsibility?

Even if the technique of the appeals were less perfect, would not the general public prefer to be approached by unpaid volunteers, instead of discovering that a salary was being paid for the business of soliciting; and is there any fundamental reason why a well chosen board should not be capable of accomplishing these ends? The best results, it would seem, would be obtained by enlisting the active interest of as many people as possible, and any tendency which centralizes or limits this general activity must be regarded as a makeshift rather than as an ideal.

Having accepted the responsibility of raising money, the managers must further decide whether they shall appeal for endowment or for annual subscriptions. No board of managers which is compelled to struggle annually for an adequate income can refrain from sighing for that peace of mind which belongs to a well-endowed association. Yet, it is now generally conceded that this freedom from the struggle for money tends to weaken initiative and deaden the interest of managers, and that independence of the public may easily end in careless administration and loose presentation of the case. Each generation presents new problems which can be best met and solved not through endowment designed for an earlier time, but through the fresh experience and enthusiasm of a new generation. Fifty years ago when

asylums for children and institutes for aged sailors were being richly endowed, there were no nursing associations; and at the present time lawyers are being employed to determine how funds bequeathed for purposes no longer important may now be legally applied to uses which the givers could not have foreseen.

On the other hand, a partial endowment gives stability and permanence to the work. All charities therefore ask for legacies, and publish a form of bequest in the hope that regular subscribers will remember them in their wills, and that their general appeal will reach the heart of some person about to dispose of his worldly goods.

Endowments may also be raised to advantage for special purposes and expansion of work, so as to encourage current giving for current expenses. Thus, for example, when the Boston Nursing Association reorganized its work a few years ago, it raised an endowment sufficient to cover the salary of a new executive position, but ever since has had to work all the harder to raise current funds for the added expense which this new executive work involved. While, then, managers should be grateful for endowment funds, particularly if they be unrestricted, their main problem is to secure the means for current expenses. For this the annual subscriber is their chief support. On this group the financial future of the work depends. It is not only a regular income which is thus secured but what is still more important, a permanent interest. In every plan for raising money, therefore, one should bear in mind its effect on increasing this group of regular contributors. It is better to have ten contributors at $10 each, than one at $100, because there are ten times as many chances of having the work known and appreciated. There are two other tests which should be applied at this point. One is that the cost of raising the money should be as small as possible; the other is that the result should be of educational value.

The various ways of raising money, which are suggested by the limited experience of Boston, fall under four heads; entertainments, printed appeals, appeals to groups and personal appeals. Entertainments and fairs certainly bring in money; and the more elaborate they are, the greater seem to be the returns. One is disinclined to criticize efforts which have so largely added to the treasuries of Boston charities, as have fairs, tableau, benefit performances, and thés dansants. Yet it is probably true that the majority of those who attend such festivities know little more about the work of the charity than they did before; and while the cost of net proceeds is high both in labor and in money, the permanent list of subscribers is likely to show little resulting gain.

As to the matter of the printed appeal, it is still very much of a gamble. What form and wording should be regarded as best? People will not read a long appeal; and yet important facts must be set forth. How often shall appeals be sent to the same person? We must interest but not antagonize. What is the psychological moment at which the special need will touch the heart of the benevolent? Shall the appeal be mailed to a man at his office, or to a wife at her home? Shall a return slip and addressed envelope be enclosed? Only experience can show.

Most associations have, however, a general mailing list of persons who have never contributed, covering the community from which support should be received. I learn from the Russell Sage Foundation that reports from charity organization societies show the best returns from a printed appeal sent to non-contributors to be from 18 to 20 per 1,000 appeals sent, or $5 return for $1 spent. Many associations believe in a letter form of appeal; but the District Nursing Association has been successful with a short statement attractively printed on a card. We sent out 2,500 of these on July 1, 1913, and a month later

a follow-up appeal in the same form but with different wording.

From these appeals we received $1,424 from 110 persons, at a cost of $240, or about 22 returns per 1,000 sent or $5 return for 30 cents spent. Some associations approach business men with one form of appeal and women with another; and this adaptation of form to recipient is of advantage. One appeal may emphasize the financial situation, and another may tell the story of a touching case.

Each appeal should, however, promote intelligent giving by stating facts precisely, ask for definite help, and substantiate all that is said. Paid newspaper advertising, which conveys important information to the reader may be a wise investment, whether it bring back money immediately or not. Annual reports may, perhaps, be included under the title of printed appeals, although they are expensive for this purpose and usually too long to command general attention. The annual report is, as a rule, to be regarded as a business statement to those who have already contributed, and as a guide to persons studying the subject.

Efforts made to get money through clubs or churches may be described as appeals to groups. To advocate one's cause before a meeting or a committee may bring the support either of individuals or of the entire society. Four of the Boston nurses are entirely supported by three churches, one of which contributes money enough to pay for two nurses. In the one case the money is raised by the personal work of one of our managers within her own church; and in the two others by an appeal of a committee within the church, which is represented on our Board. Other substantial contributions come from the charity funds of churches, or from women's committees, clubs, and societies. Two clubs have undertaken the entire cost of two nurses, and a third gives a generous contribution to the support of a neighborhood nurse.

Personal appeals, either by the director or the managers, are acknowledged by all to be the most successful way of raising money. Nothing can take the place of that direct influence which is possible through a private interview or an individual note. It is entirely legitimate that one's position in the community, one's friends, or one's personality should be of advantage, for they add weight to one's words. Yet money solicited and given solely on account of personal friendships may not be the most secure support, for it does not guarantee the permanent interest, and the subscription thus obtained may not be repeated. It is well to use one's personal advantages in appeals, but one must assume that the giver may refuse to give until he knows what his gift will do, and then even if he refuses, which he has every right to do, there will remain the satisfaction of having explained the work. Sometimes it is well to make known a few concrete needs of the association, and a nursing association may properly offer as an appealing suggestion the appointment of a nurse as a memorial. Letters are not likely to be so successful as personal interviews. Two people calling together are far harder to refuse than one. Letters of introduction should be brought when calling on strangers, or better still, appointments may be made by mutual friends.

I suppose conditions in different cities must vary, and that what may succeed in one city may fail in another, and my suggestions have therefore been of a very general description. The large schemes now undertaken in Cleveland of co-operative soliciting and giving may relieve both managers and the public of a heavy burden; and I trust that we may learn here from pioneers in this comprehensive movement what its present achievement and promise may be. I may, however, report in conclusion what the Boston Nursing Association has done this winter to pull itself out of a financial hole. We called it a neighborhood campaign. It was organized as follows: We took a limited and residential section

of Boston and divided it in six almost equal districts, and each district into six blocks. In each district a young woman resident was appointed to act as captain, and under her six young women, each of whom lived in a block were designated as lieutenants. These lieutenants in their turn engaged the help of more girls to work under them in their several blocks. Lists of the householders were carefully prepared and divided into districts and blocks, corresponding with our geographical division. And these lists were compared with our lists of subscribers, so that no person who had given within the year should be called on again. Letters were written to all our own subscribers, telling them of the plan and asking them to endorse it among their friends.

The volunteers were coached on the work of the association and on the details of their procedure, first in small groups, and then at a general meeting where 118 girls were assembled. They were given printed circulars of information and blanks for entering receipts, were instructed to call in couples, to see personally a representative of the house, to describe briefly the work and ask for contributions for current expenses to be given, if possible, annually. The whole scheme was well advertised in the newspapers. On an appointed day the calling began, and within a week practically every house on our lists had been visited by neighbors. Money was turned in daily by the captains, and two lunch parties were given where returns were announced, and a large map shown indicating by colored stars the houses visited. We asked for $15,000—and received $12,000. A portion came from old friends, but 1,260 persons subscribed for the first time, and many promised to be annual subscribers. The plan met with many compliments though also with much criticism, chiefly from its character as a hold-up, and certainly it should not be advocated for the same section often, or for charities of a less general interest. The work was almost entirely done by volunteers, so that the expense of rais-

ing $12,000 was but $150. The advertising of the association was of as much value as the money received, and the 118 volunteers were made steadfast friends.

Compared with whirlwind campaigns, or tag days, this venture was modest. But to have raised this sum for income from a limited area and to have made so many new friends, appeared to us satisfactory.